## **IN THE CLAIMS:**

Please add Claims 17 and 18.

1. (Original) A telephone unit having a telephone directory with picture data, comprising:

receiving means for receiving compressed moving picture data from a communication party;

first decoding means for decoding said compressed moving picture data; encoding means for encoding one or more frames of the decoded moving picture data into a compressed still picture data;

correlating means for correlating said compressed still picture data with a telephone number of said communication party;

registering means for registering said compressed still picture data and said telephone number with said telephone directory.

- 2. (Original) The telephone unit having a telephone directory with picture data according to claim 1, wherein said correlating means correlates said compressed still picture data with person information of said communication party, said personal information including said telephone number of said communication party.
- 3. (Original) The telephone unit having a telephone directory with picture data according to claim 1, wherein said compressed still picture and said telephone number are registered with said telephone directory in JPEG (Joint Photographic Experts Group) format, said telephone number being recorded in a comment segment of a JPEG file.

- 4. (Original) The telephone unit having a telephone directory with picture data according to claim 2, wherein said compressed still picture and said personal information are registered with said telephone directory in JPEG (Joint Photographic Experts Group) format, said personal information being recorded in a comment segment of a JPEG file.
- 5. (Original) The telephone unit having a telephone directory with picture data according to claim 1, further comprising:

first displaying means for displaying the decoded moving picture; and selecting means for selecting said one or more frames to be encoded by said encoding means, in response to an operation by a user.

6. (Original) The telephone unit having a telephone directory with picture data according to Claim 1, further comprising:

second decoding means for decoding said compressed still picture data;

second displaying means for displaying the decoded still picture data.

7. (Original) The telephone unit having a telephone directory with picture data according to Claim 6, wherein said display means displays the decoded still picture when originating a call to said communication party,

- 8. (Original) The telephone unit having a telephone directory with picture data according to Claim 6, wherein said display means displays the decoded still picture when terminating a call from said communication party.
- 9. (Original) A method for generating a telephone directory with picture data, comprising the steps of:

receiving compressed moving picture data from a communication party; decoding said compressed moving picture data;

encoding one or more frames of the decoded moving picture data into a compressed still picture;

correlating said compressed still picture data with a telephone number of said communication party;

registering said compressed still picture data and said telephone number with said telephone directory.

- 10. (Original) The method for generating a telephone directory with picture data according to claim 9, wherein said correlating step correlates said compressed still picture data with personal information of said communication party, said personal information including said telephone number of said communication party.
- 11. (Original) The method for generating a telephone directory with picture data according to claim 9, wherein said compressed still picture and said telephone number are

registered with said telephone directory in JPEG (Joint Photographic Experts Group) format, said telephone number being recorded in a comment segment of a JPEG file.

12. (Original) The method for generating a telephone directory with picture data according to claim 10, wherein said compressed still picture and said personal information are registered with said telephone directory in JPEG (Joint Photographic Experts Group) format, said personal information being recorded in a comment segment of a JPEG file.

13. (Original) The method for generating a telephone directory with picture data according to claim 9, further comprising the steps of:

displaying the decoded movie picture; and selecting said one or more frames to be encoded, in response to an operation by a user.

14. (Original) The method for generating a telephone directory with picture data according to claim 9, further comprising the steps of:

decoding said compressed still picture data; and displaying the decoded still picture data.

15. (Original) The telephone display unit having a telephone directory with picture data according to claim 14, wherein the step of displaying the decoded still picture is performed when originating a call to said communication party.

16. (Original) The telephone unit having a telephone directory with picture data according to claim 14, wherein the step of displaying the decoded still picture is performed when terminating a call from said communication party.

17. (New) The telephone unit having a telephone directory with picture data according to claim 1,

wherein the still picture data generated by said encoding means is in conformity with a format different from a format with which the moving picture data is in conformity.

18. (New) The method for generating a telephone directory with picture data according to claim 9,

wherein the still picture data generated by the encoding step is in conformity with a format different from a format with which the moving picture data is in conformity.